

ANALYST BRIEFING
 GUARDIAN HOLDINGS LIMITED
 1 GUARDIAN DRIVE
 WESTMOORINGS • TRINIDAD

Analyst Briefing

INSURANCE + RETIREMENT + INVESTMENT =



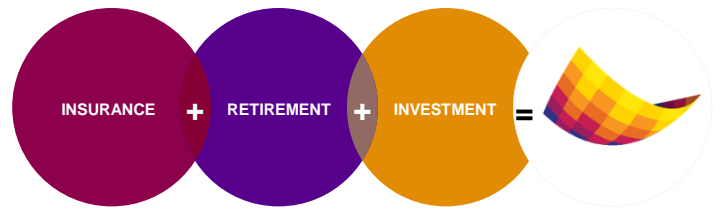
Financial Results – 6 Months Ended 30th June 2022



INSURANCE RETIREMENT INVESTMENTS

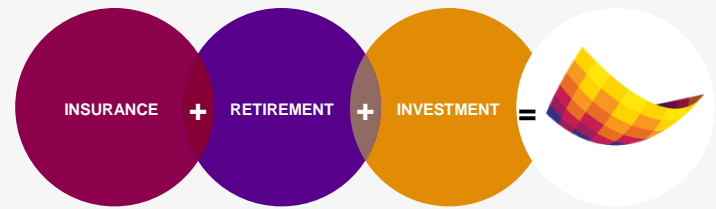


5 Aug 2022

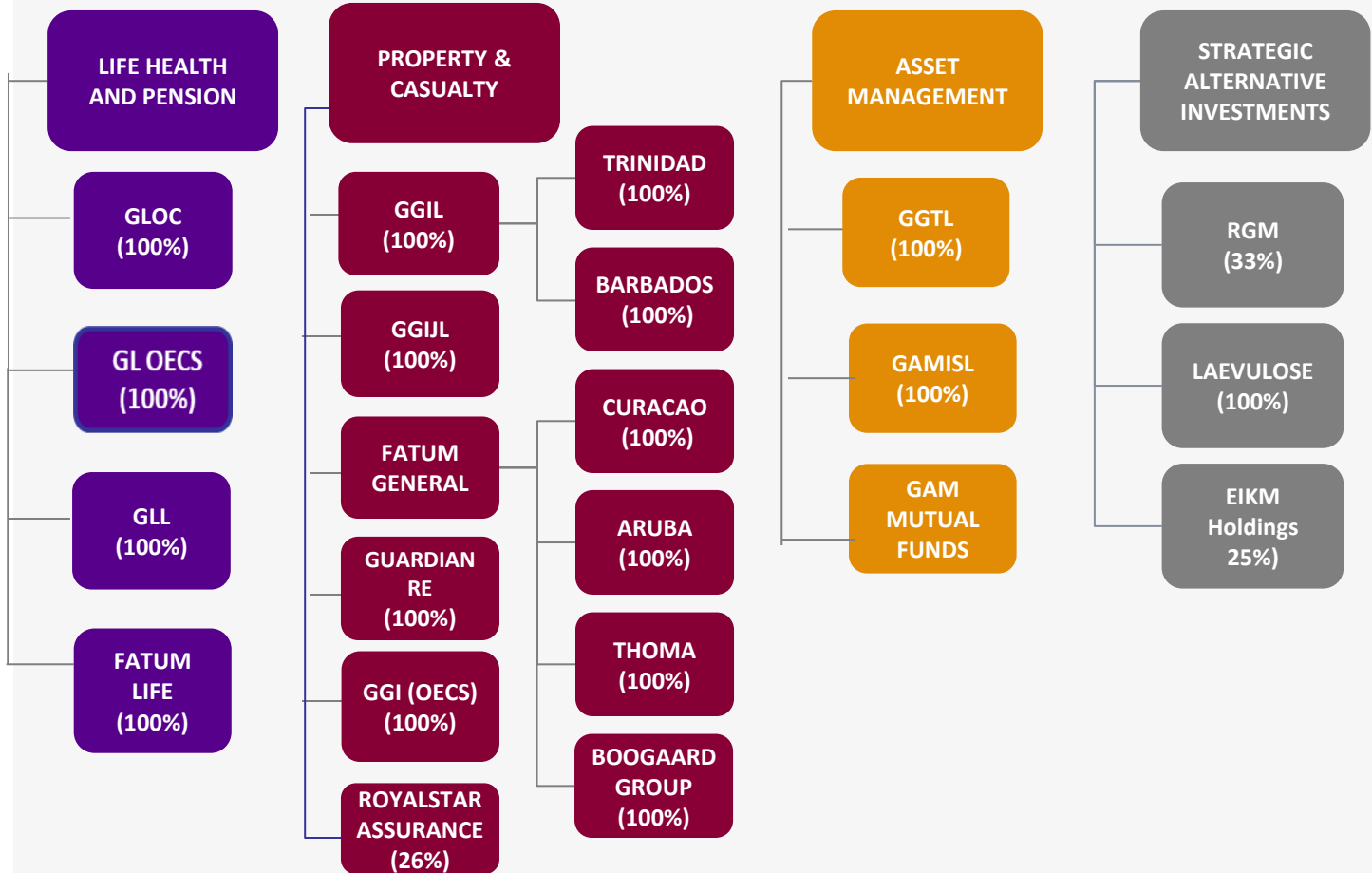


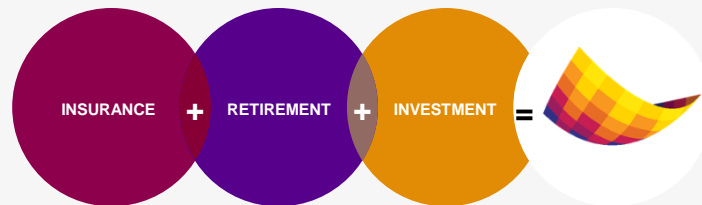
RAVI TEWARI

GROUP CHIEF EXECUTIVE OFFICER



BUSINESS SEGMENTS





CONSOLIDATED FINANCIAL HIGHLIGHTS

Profit Before Tax

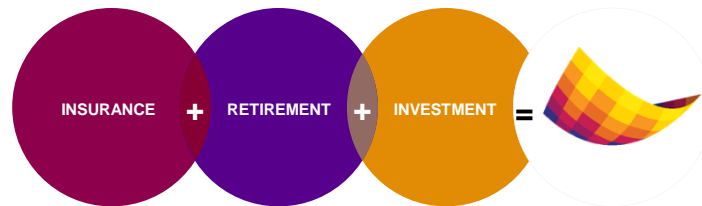
Q2 2022
\$494m

Q2 2021
\$338m

\$156m,
46% 

TT\$'MM	YTD Q2/22	YTD Q2/21	Var \$	Var %
<u>Reported</u>				
Profit to equity holders of the company	436	256	180	70%
Basic EPS	\$1.88	\$1.10	\$0.78	71%

Profit attributable to equity shareholders increased by \$180m or 70% over the prior year. This performance was primarily due to improved net income from insurance activities, a decrease in impairment, lower operating expenses, higher net income from investing activities, lower taxation, partially offset by a negative net fair value movement in the investment portfolio.

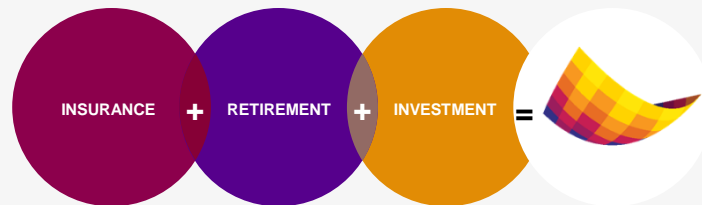


Consolidated Financial Highlights



SAMANTA SAUGH

GROUP CHIEF FINANCIAL OFFICER



SUMMARY CONSOLIDATED FINANCIALS

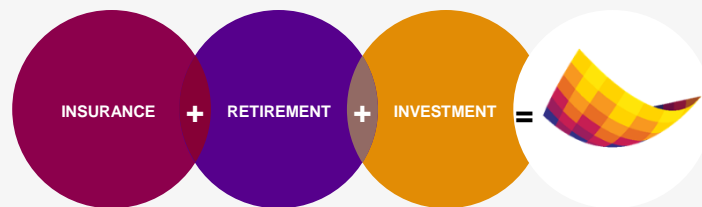
Note 1

- LHP increased by \$278m, mainly from favourable reserve movements and higher gross premiums.
- P&C decreased by \$14m primarily from deteriorated loss ratios due to higher claims experience.

Note 2

Substantially due to net fair value losses in the current period compared to net fair value gains in the prior period resulting from unfavourable movements. This was driven by the Jamaica and Trinidad equity markets and government and corporate bonds.

	TT\$'MM	YTD Q2/22	YTD Q2/21	Var \$	Var %	
Note 1	Net income from insurance activities	681	417	264	63%	↑
Note 2	Net realised and unrealised (losses) / gains	(102)	121	(223)	-184%	↓
Note 3	Net income from other investing activities	672	649	23	4%	↑
	Net income from brokerage activities	76	72	4	6%	
	Net income from all activities	1,327	1,259	68	5%	
Note 4	Net impairment gains/(losses) on financial assets	2	(59)	61	-103%	↓
Note 5	Operating expenses	(742)	(769)	27	-4%	↓
	Finance charges	(104)	(103)	(1)	1%	
	Share of associate results	11	9	2	22%	
	Profit before tax	494	338	156	46%	
	Taxation & other	(57)	(80)	23	-29%	↓
	Profit for the period	437	258	179	70%	
	Profit attributable to NCI	(1)	(2)	1	-50%	
	Profit to equity holders of the company	436	256	180	71%	↑



SUMMARY CONSOLIDATED FINANCIALS

Note 3

Increased investment portfolio and income earned.

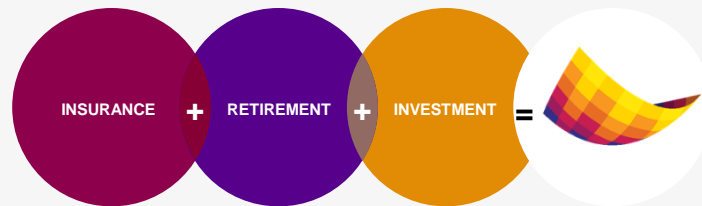
Note 4

IFRS 9 provisioning and the reduction of provisions on premium receivables.

Note 5

Driven by group-wide transformation initiatives and close monitoring of expenses.

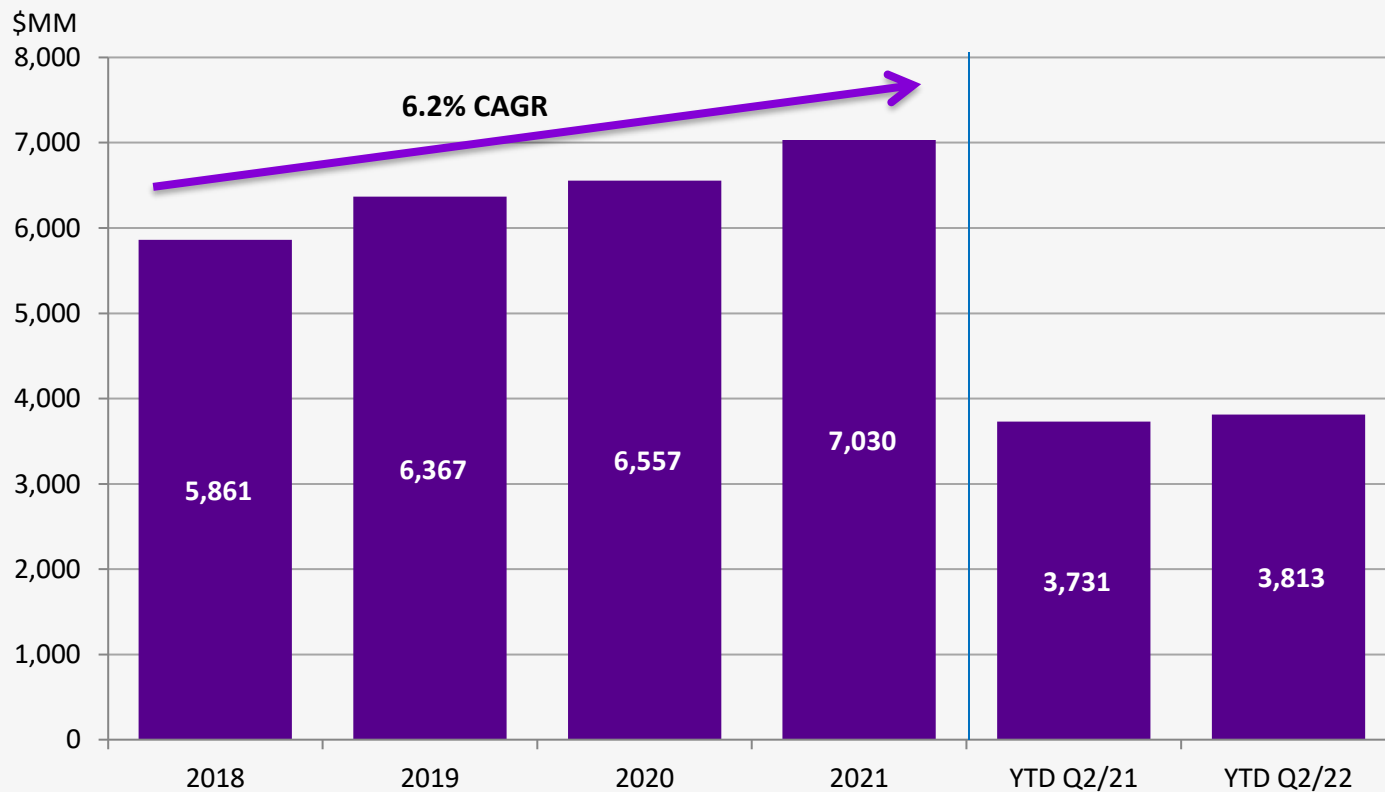
	TT\$'MM	YTD Q2/22	YTD Q2/21	Var \$	Var %	
Note 1	Net income from insurance activities	681	417	264	63%	↑
Note 2	Net realised and unrealised (losses) / gains	(102)	121	(223)	-184%	↓
Note 3	Net income from other investing activities	672	649	23	4%	↑
	Net income from brokerage activities	76	72	4	6%	
	Net income from all activities	1,327	1,259	68	5%	
Note 4	Net impairment gains/(losses) on financial assets	2	(59)	61	-103%	↓
Note 5	Operating expenses	(742)	(769)	27	-4%	↓
	Finance charges	(104)	(103)	(1)	1%	
	Share of associate results	11	9	2	22%	
	Profit before tax	494	338	156	46%	
	Taxation & other	(57)	(80)	23	-29%	↓
	Profit for the period	437	258	179	70%	
	Profit attributable to NCI	(1)	(2)	1	-50%	
	Profit to equity holders of the company	436	256	180	71%	↑

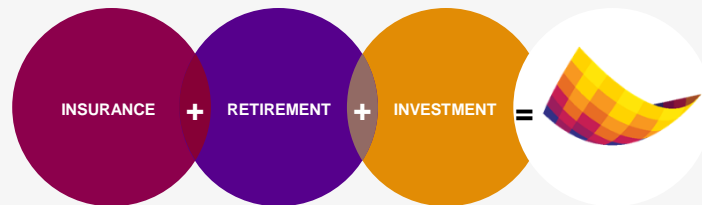


GROSS WRITTEN PREMIUMS

GWP increased \$82m or 2% over YTD Q2 2021:

- LHP: Increase of \$103m or 5% (all companies);
- P&C: Decrease of \$21m or 1% (all companies).

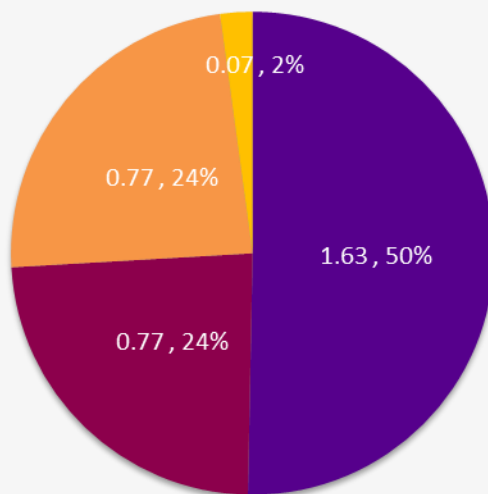




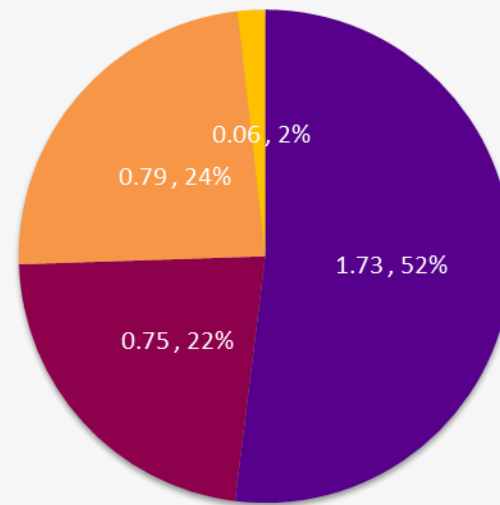
GEOGRAPHIC DISTRIBUTION OF REVENUE

Geographic distribution of revenue remained relatively constant, with just over 50% earned in Trinidad & other Caribbean.

YTD Q2/21 - \$3.2 billion

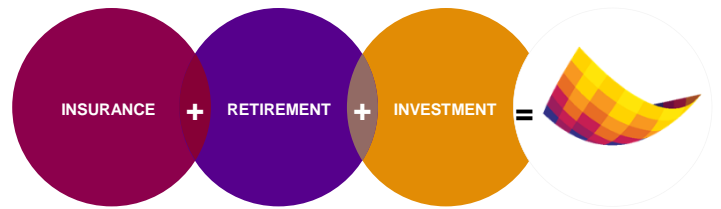


YTD Q2/22 - \$3.3 billion



■ Trinidad & other Caribbean
 ■ Jamaica
 ■ Dutch Caribbean
 ■ Non Caribbean

Excludes realized and unrealized gains / losses

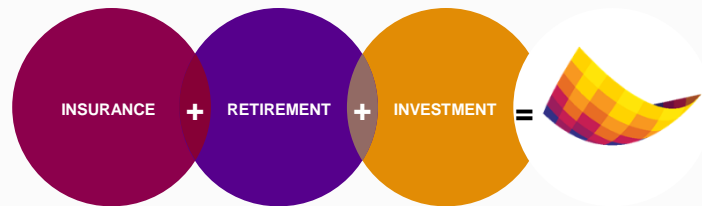


Life, Health and Pensions (LHP)

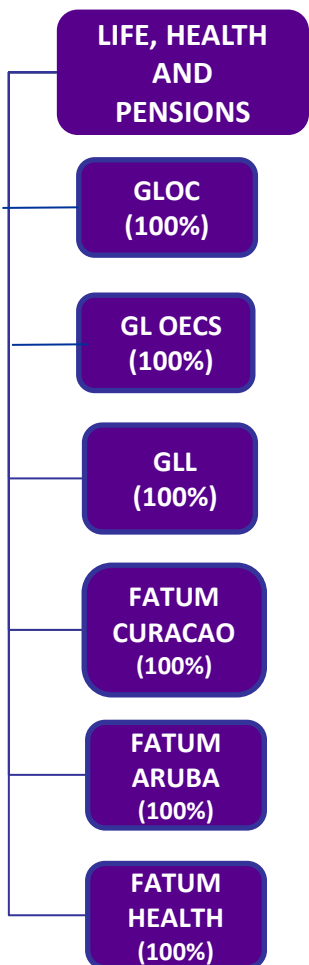


ANAND PASCAL

PRESIDENT GUARDIAN LIFE OF THE CARIBBEAN

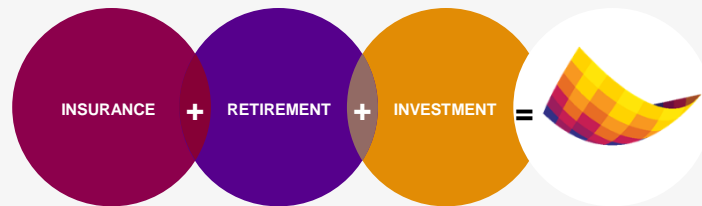


LIFE, HEALTH AND PENSIONS

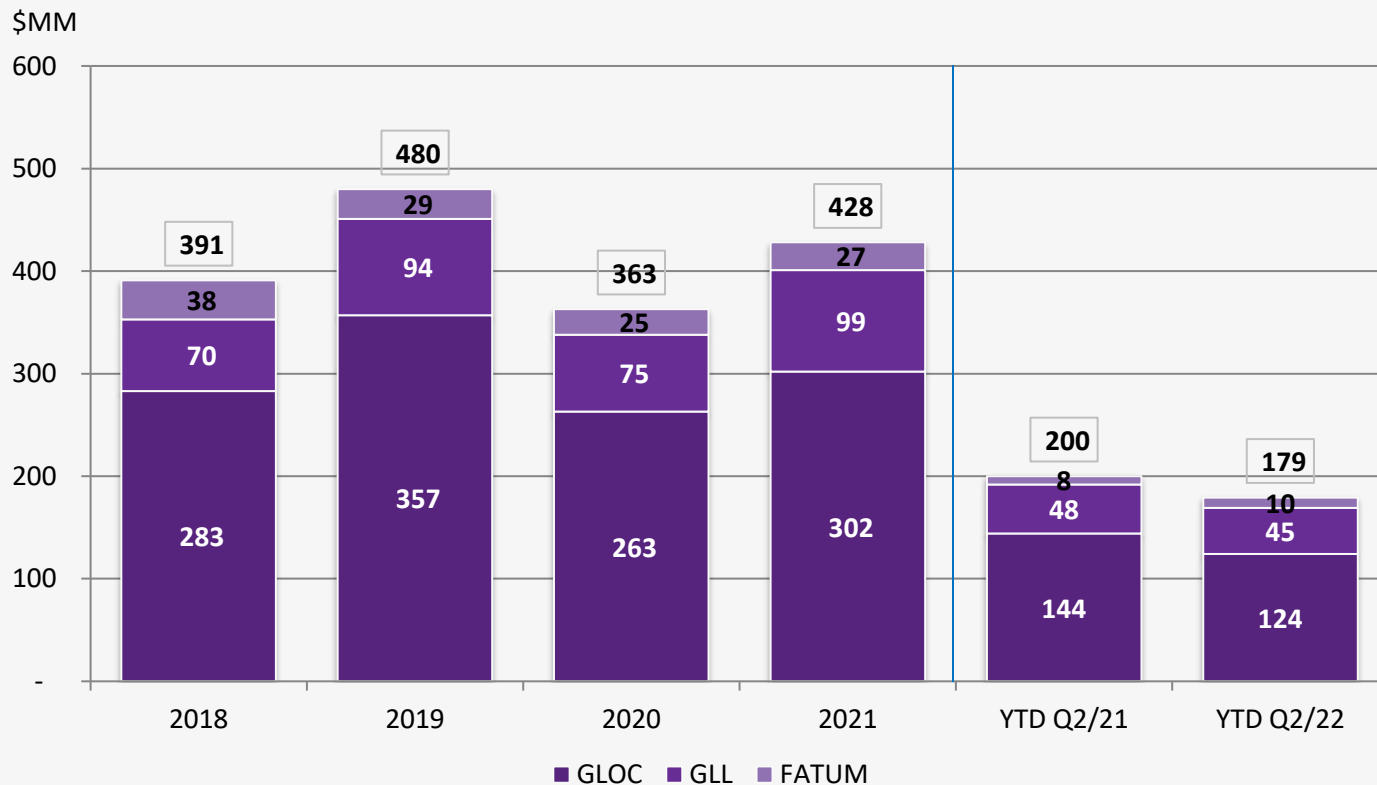


The leading life insurer in the Caribbean:

- # 1 in Trinidad
 - Over 650 dedicated life sales agents
 - GLOC AM Best A- Excellent rating
- # 2 in Jamaica
 - Over 250 dedicated life sales agents
- Fatum has approximately 50% of the Dutch Caribbean market
 - Sales primarily broker-driven
 - 100 dedicated life sales agents



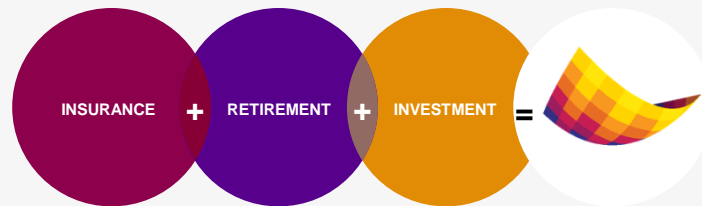
ANNUALIZED PREMIUM INCOME



API decreased 11% over Q2 2021.

14% decrease in GLOC
6% decrease in GLL
25% increase in Fatum

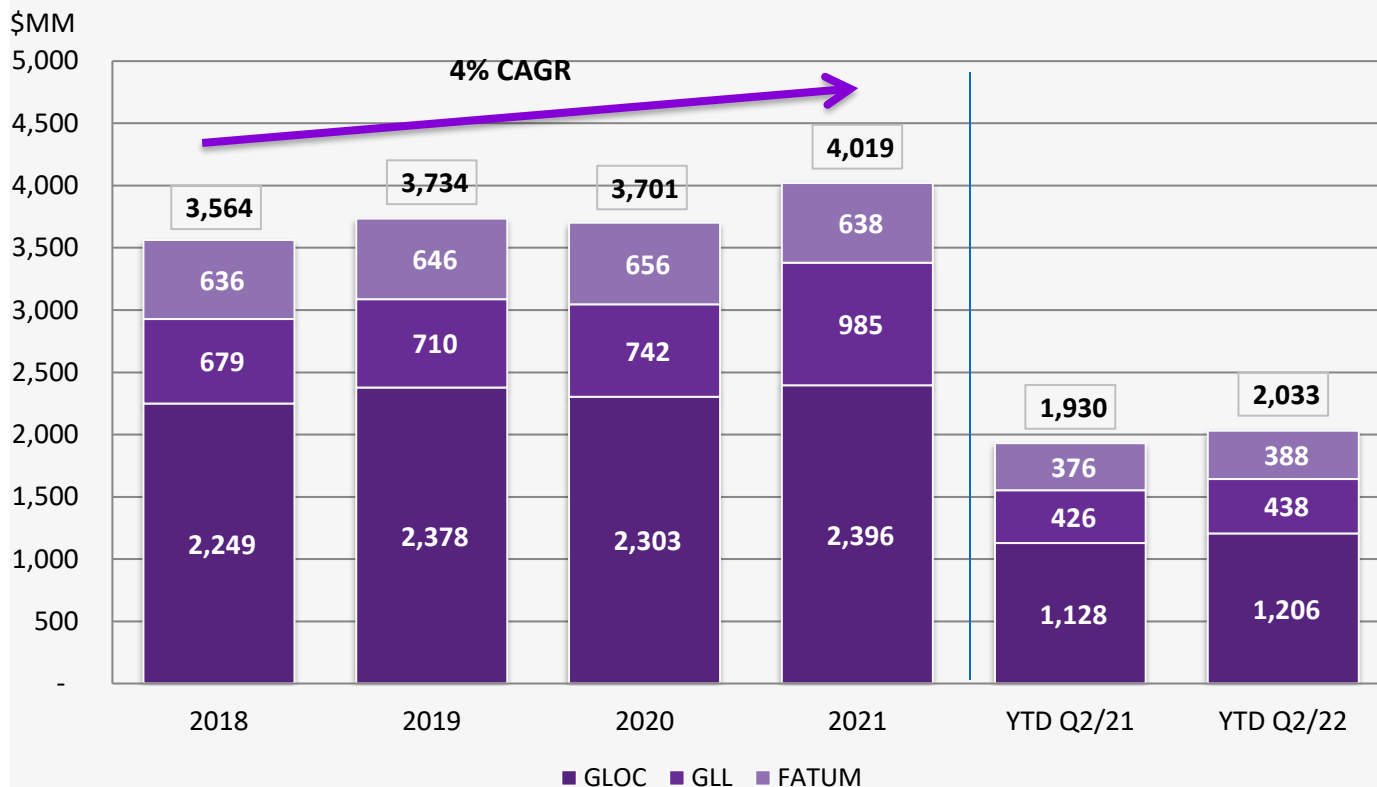
The decline for GLOC was due to the sale of a couple large policies in Q1 2021 that did not recur in 2022.

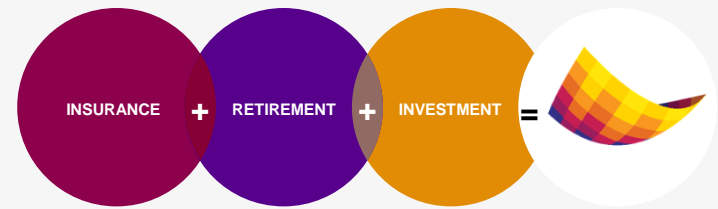


LHP – GROSS WRITTEN PREMIUMS

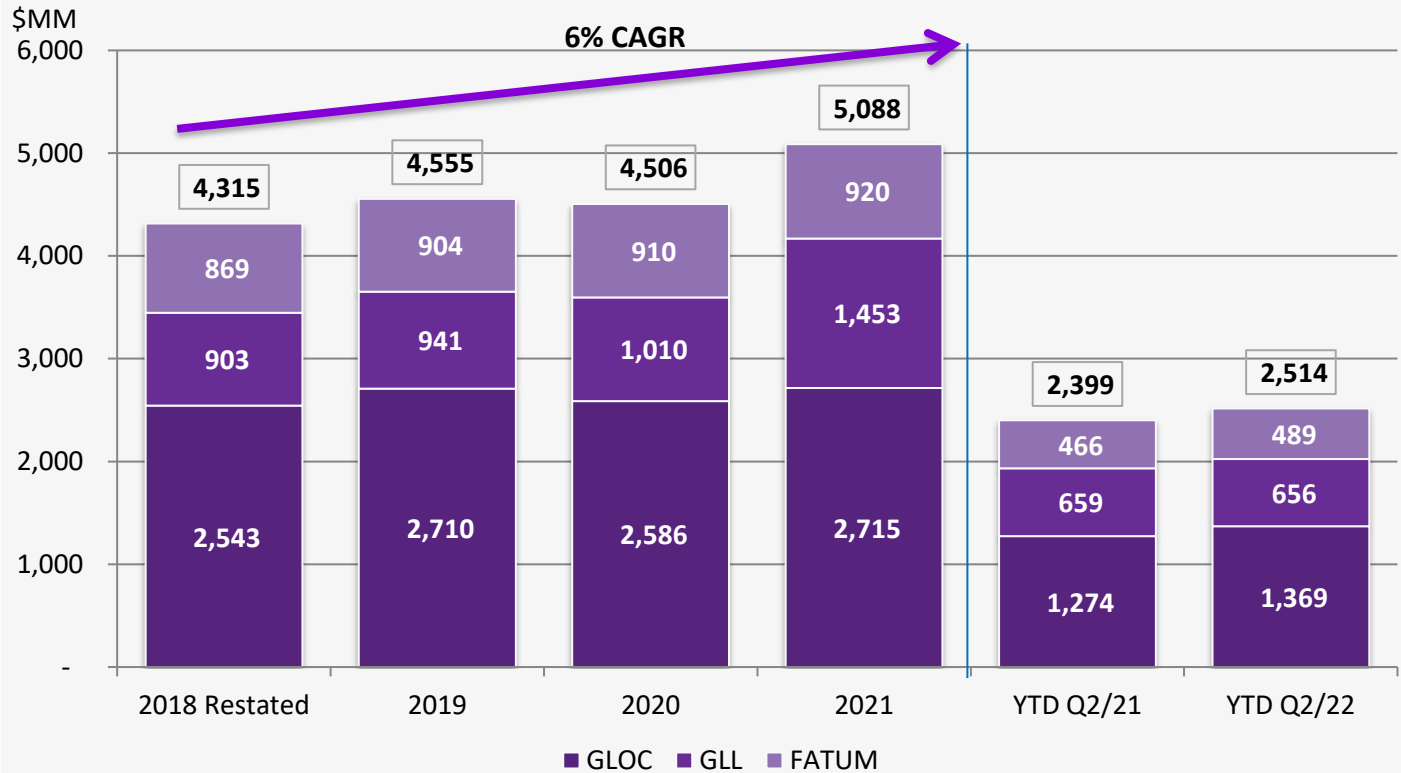
GWP increased \$103m or 5% when compared to Q2 2021.

GLOC increased by 7%,
GLL increased by 3% and
Fatum increased by 3%.





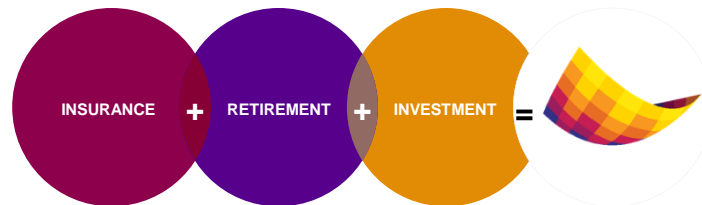
LHP – REVENUE



Excludes realized and unrealized gains/losses

Total Revenue increased 5% when compared to Q2 2021.

GLOC increased by 7%, Fatum increased by 5% and GLL decreased by 0.5%.

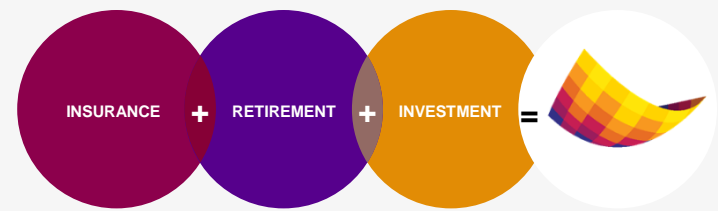


Property & Casualty (P&C)



DEAN ROMANY

PRESIDENT GUARDIAN GENERAL INSURANCE LIMITED



PROPERTY & CASUALTY

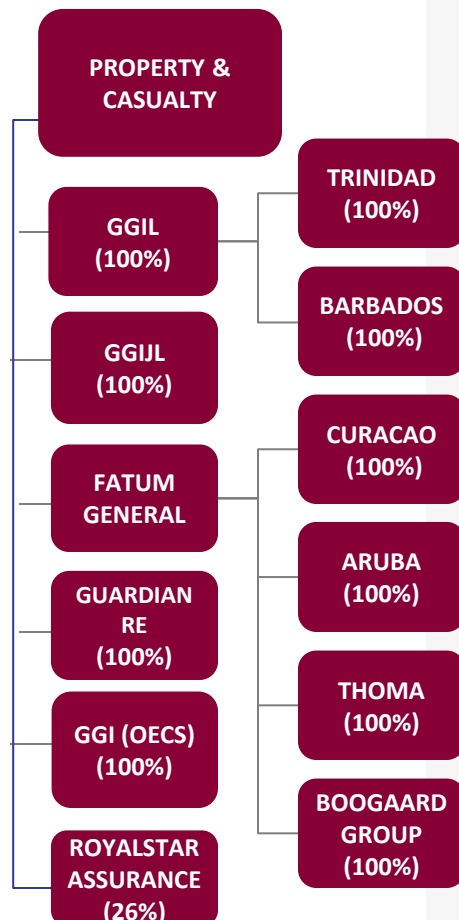
An established and distinguished P&C Insurer, long recognized as the largest and strongest indigenous Caribbean Insurer

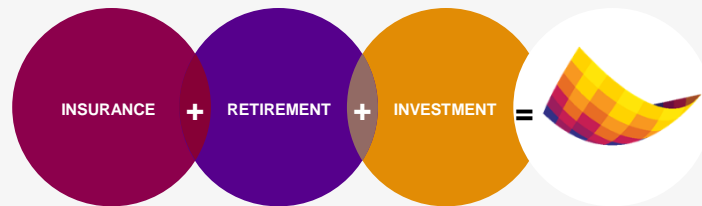
- Profitably underwrites in every English-speaking Commonwealth country in the Caribbean and the Dutch Antilles
- Market Leader in the following territories: Trinidad & Tobago; Jamaica; Dutch Antilles; Grenada; and overall Caribbean

Boogaard (brokerage) in the Dutch Antilles provides additional sources of fee income (together with Thoma)

Financial strength and consistently applied underwriting discipline are competitive advantages

- Consistently delivers high profit margins
 - ✓ Successfully manages the underwriting cycles
 - ✓ Reputable claims service
 - ✓ Good geographic spread
 - ✓ Robust reinsurance program
 - ✓ Strong global network
- “A-” Excellent rating reaffirmed by AM Best

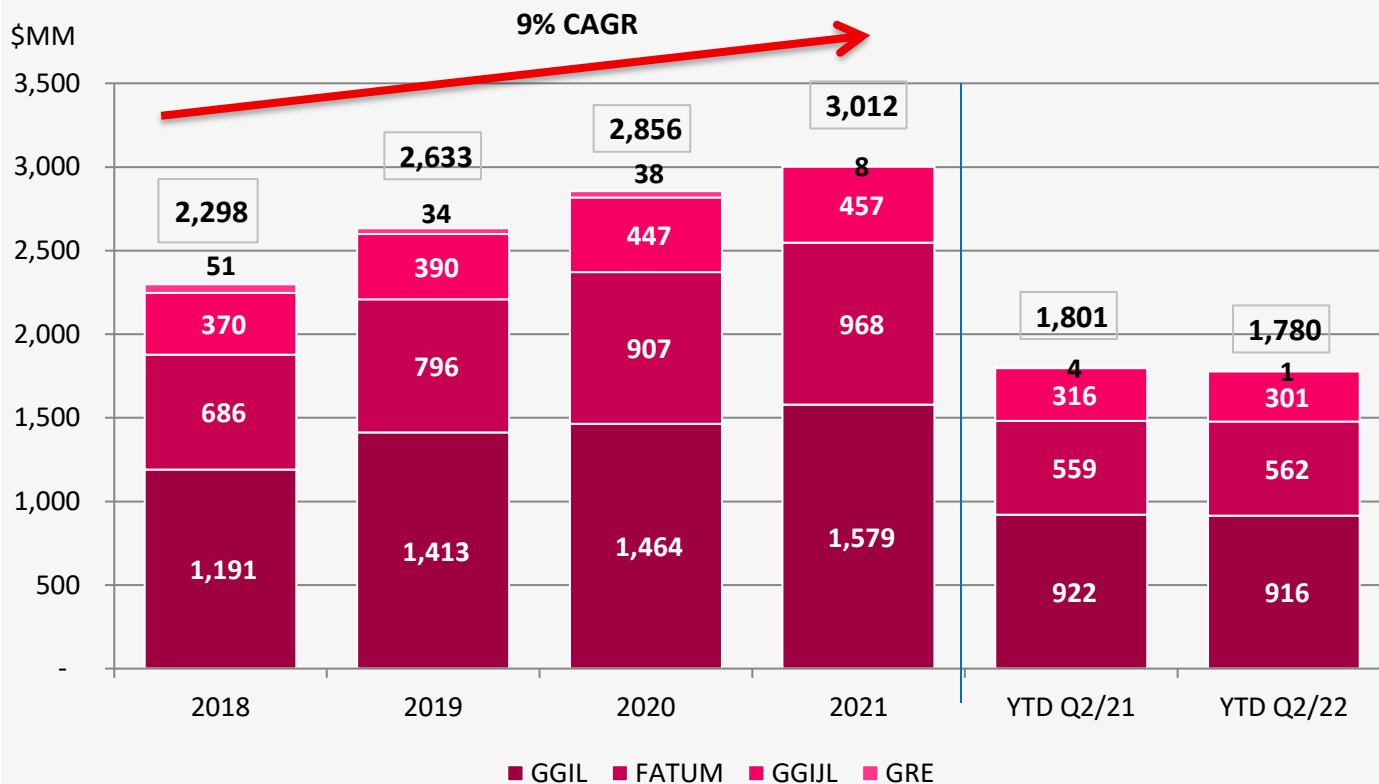


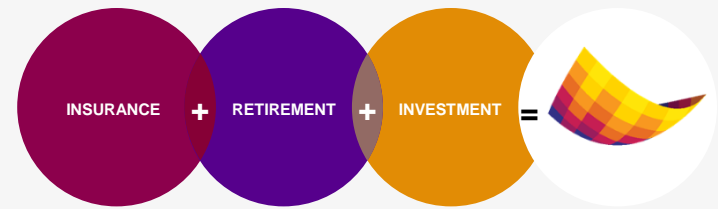


P&C – GROSS WRITTEN PREMIUMS

GWP decreased \$21m or 1% when compared to Q2 2021.

- Difference in timing of billings of fronting accounts – TT\$19M reduction
- Re-underwriting Marine LOB to de-risk loss exposure – TT\$6.9M reduction
- GWP excl. fronting for all other LOB grew across all territories



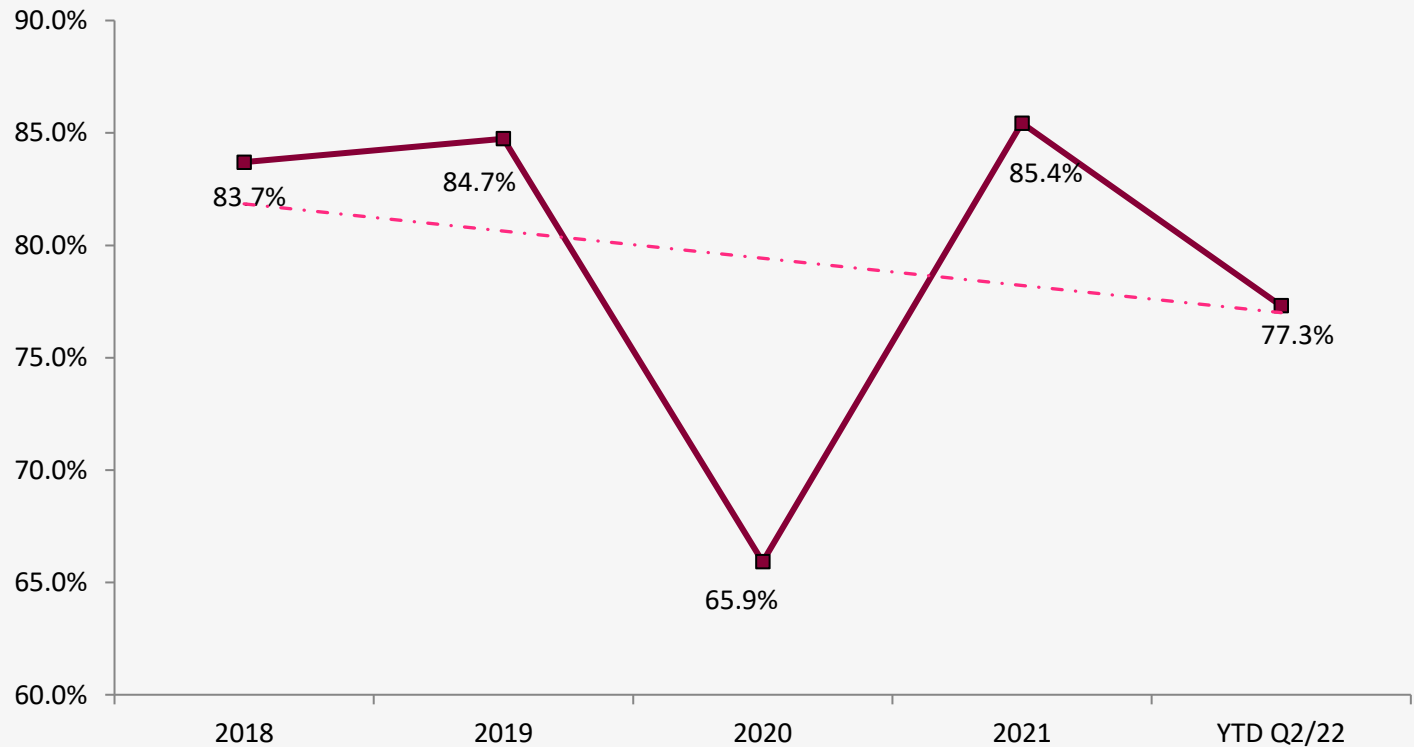


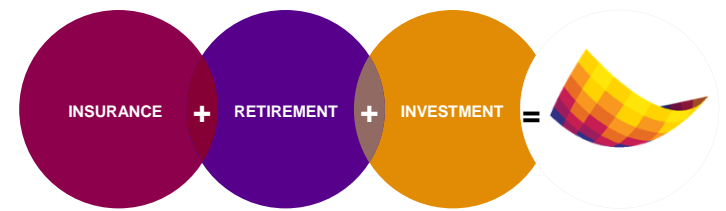
COMBINED RATIO – PROPERTY & CASUALTY

Combined Ratio improved from 85.4% at the end of 2021 to 77.3% at the end of Q2 2022 mainly due to an improved claims ratio and commission ratio.

P&C strategy:

- Customer intimacy
- Strong technical underwriting discipline;
- Optimal operating efficiency levels;
- Business insights and harnessing power of AA
- Distinctive reinsurance strategies.



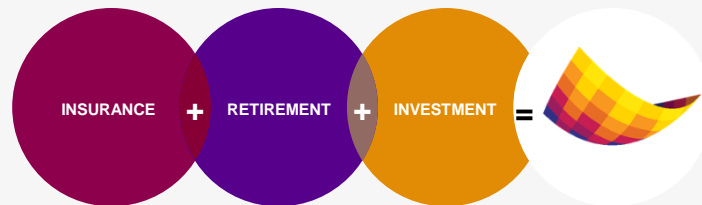


Asset Management (AM)

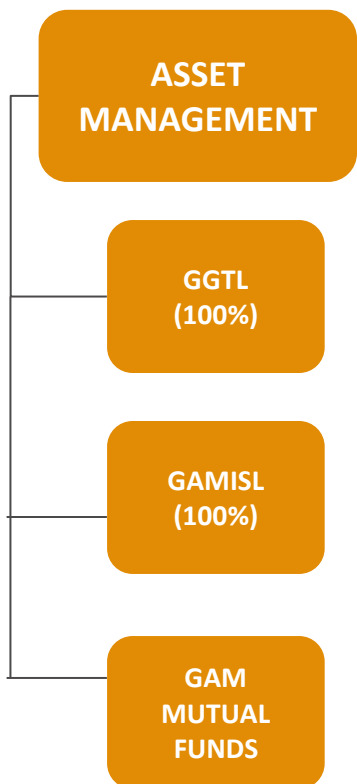


BRENT FORD

GROUP CHIEF INVESTMENT OFFICER / GROUP PRESIDENT ASSET MANAGEMENT



ASSET MANAGEMENT



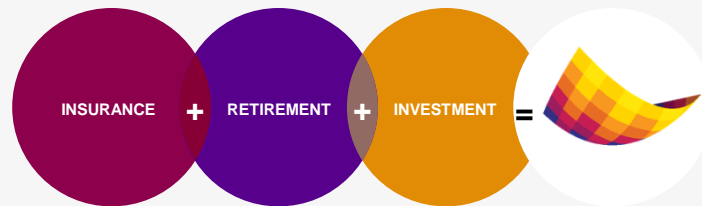
Lines of business

Registered with CBTT & SEC – offers Trust Services, Loans, Accounting & Administration Services, Merchant Banking Unit.

Registered with TTSEC - investment adviser, broker-dealer, underwriter
 Manages mutual funds, private wealth, captive portfolios
 Trades for Non-Discretionary Accounts

Offers 15 independent mutual funds covering all asset classes; AUM
 TT\$2.1Bn

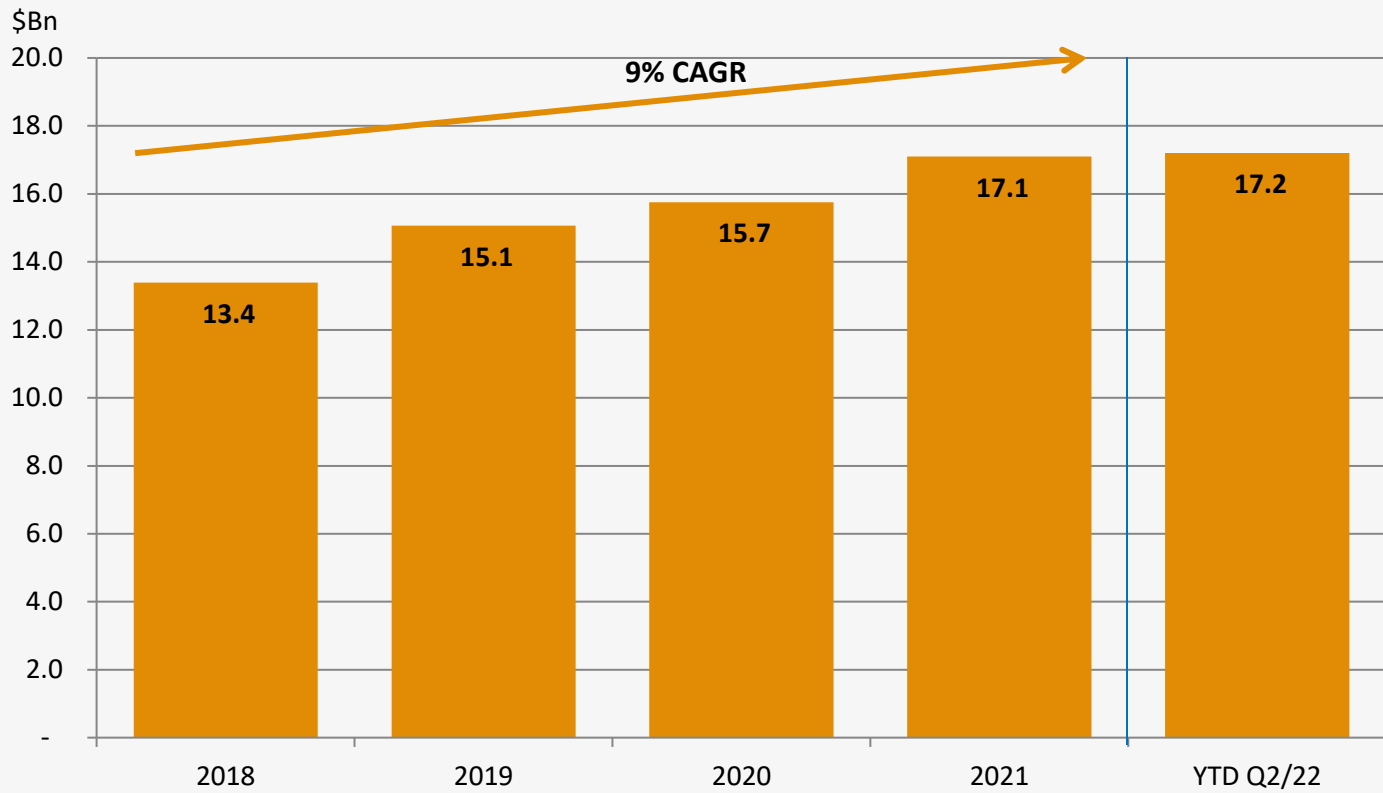
Launched 2 new TTD Mutual Funds in Q1 focused on Caribbean Equity and Fixed Income

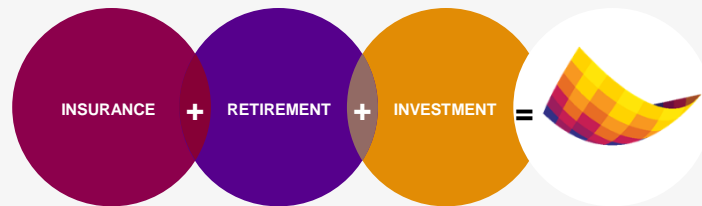


ASSETS UNDER MANAGEMENT

AUM in Q2 2022 marginally increased driven mainly by new funds which were offset by declining international fixed income and equity market values.

Inflation concerns and Fed interest rate hikes would have impacted both asset classes.



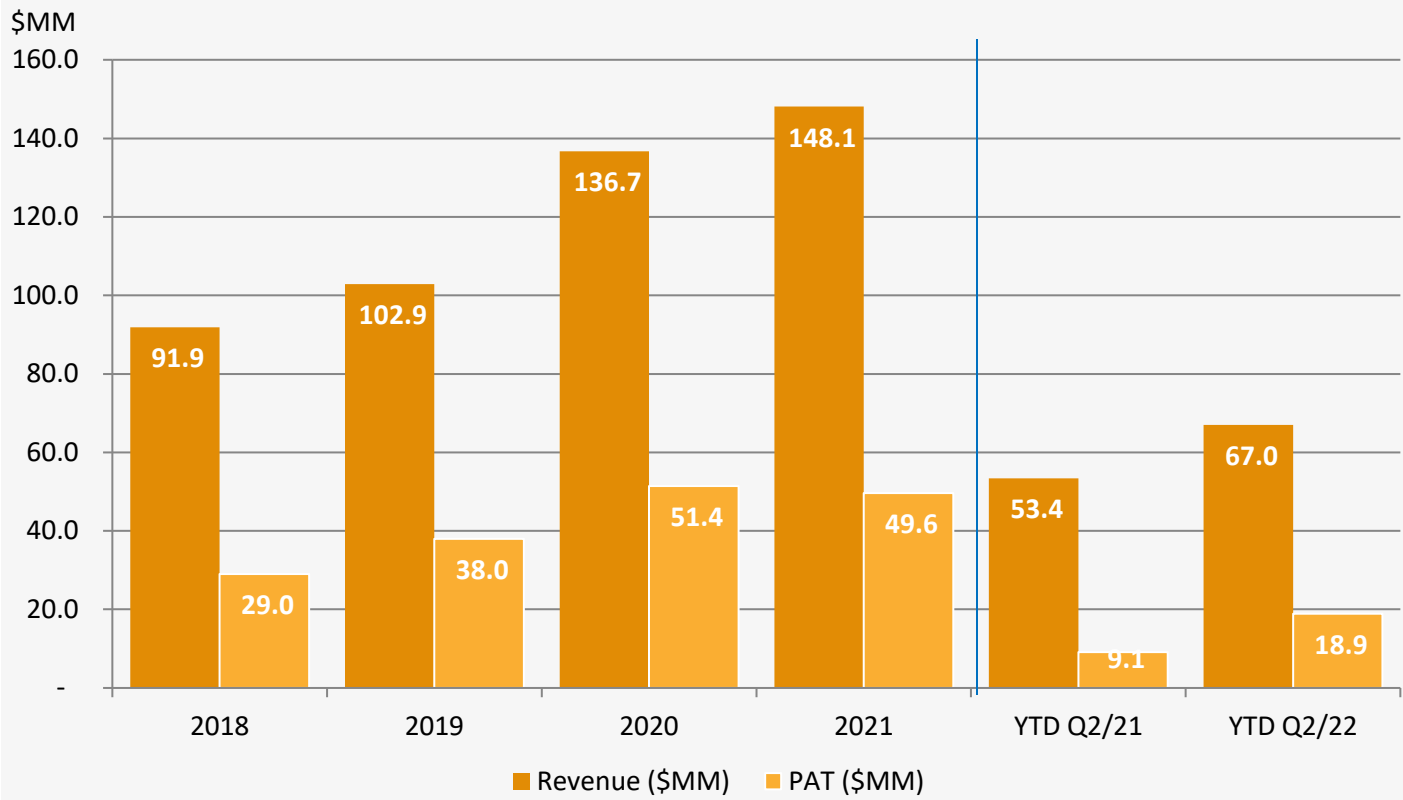


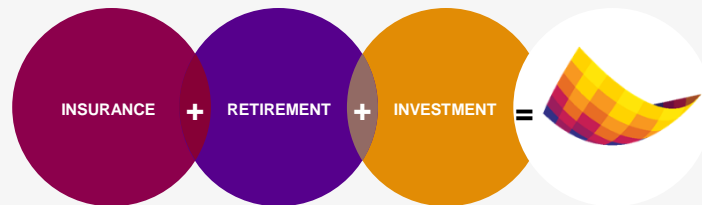
AM – GAM REVENUE & PROFITS

Revenue for Q2 2022 was 25% higher than prior year.

- From higher realised gains on investment securities and higher fee income

Profit after tax for Q2 2022 was 108% higher than prior year.





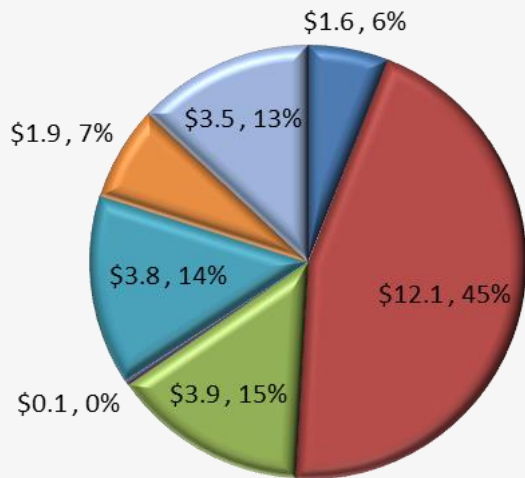
INVESTMENT MIX

Asset mix marginally changed from year end 2021.

Some small changes were noted in debentures and corporate bonds and cash and cash equivalents. We continue to focus on shifting into more productive long-term investments.

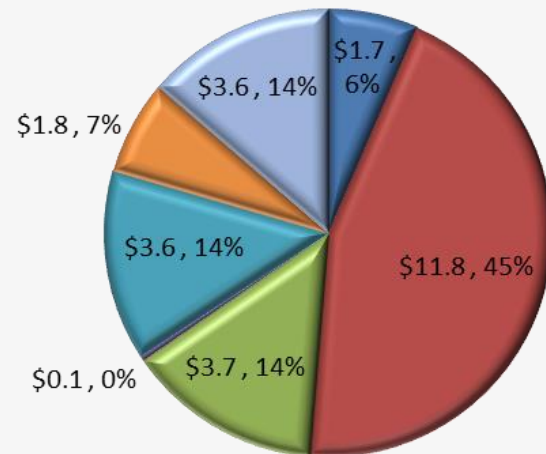
Portfolio is positioned to capture opportunities in debt and equity markets.

Dec 2021 - \$26.9 billion

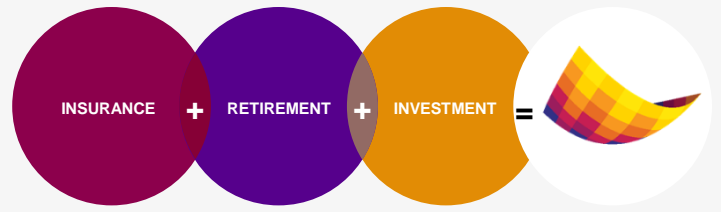


- Investment properties
- Debentures & Corporate bonds
- Equities
- Cash & Cash equivalents

Jun 2022 - \$26.3 billion



- Government securities
- Other
- Term Deposits



QUESTIONS

